

# SENATE RECORD VOTE ANALYSIS

104th Congress  
1st Session

Vote No. 505

October 26, 1995, 5:04 p.m.  
Page S-15782 Temp. Record

## BALANCED BUDGET RECONCILIATION/Tax Cut Ban, Fiscal Dividend

**SUBJECT:**      **Balanced Budget Reconciliation Act of 1995 . . . S. 1357. Domenici motion to table the Bumpers motion to commit the bill to the Committee on Finance with instructions.**

### ACTION: MOTION TO TABLE AGREED TO, 53-46

**SYNOPSIS:**      As reported, S. 1357, the Balanced Budget Reconciliation Act of 1995, will result in a balanced budget in seven years, as scored by the Congressional Budget Office (CBO). The bill will also provide a \$245 billion middle-class tax cut, \$141.4 billion of which will be to provide a \$500 per child tax credit.

**The Bumpers motion to commit** the bill to the Finance Committee would instruct the committee to report the bill back within 3 session days with changes that would delay any tax cuts until the first fiscal year that outlays did not exceed revenues.

Debate on a debatable motion to a reconciliation bill is limited to 1 hour. Following debate, Senator Domenici moved to table the Bumpers motion. Generally, those favoring the motion to table opposed the motion to commit; those opposing the motion to table favored the motion to commit.

**Those favoring** the motion to table contended:

We are not at all surprised to see Democrats arguing against tax cuts for working, middle-class Americans. After all, for the past 30 years they have built their careers on proposing ever greater taxes on these Americans in order to support their expansive social spending programs. They talk about these tax breaks being enacted for rich people, but they know they are not telling the truth. In the first year, over 90 percent of the tax breaks will go to Americans earning less than \$100,000 per year; in the first 5 years, 84 percent will go to Americans earning less than \$100,000; in the first 5 years, less than 6 percent will go to Americans earning more than \$200,000 per year. Most of the money, \$141 billion, will pay for a \$500 per child tax credit. Working families more than any other group in America have suffered under Democratic tax policies for the past several decades. In the 1950's, they sent \$1 out of every \$50 they earned to Washington. They currently send \$1 out of every \$4 they earn. The value of the child credit has been

(See other side)

YEAS (53)			NAYS (46)			NOT VOTING (0)	
Republicans (49 or 92%)		Democrats (4 or 9%)	Republicans (4 or 8%)		Democrats (42 or 91%)	Republicans (0)	Democrats (0)
Abraham	Hatfield	Baucus	Cohen	Akaka	Johnston		
Ashcroft	Helms	Biden	Jeffords	Bingaman	Kennedy		
Bennett	Hutchison	Feinstein	Snowe	Boxer	Kerrey		
Bond	Inhofe	Lieberman	Specter	Bradley	Kerry		
Brown	Kassebaum			Breaux	Kohl		
Burns	Kempthorne			Bryan	Lautenberg		
Campbell	Kyl			Bumpers	Leahy		
Chafee	Lott			Byrd	Levin		
Coats	Lugar			Conrad	Mikulski		
Cochran	Mack			Daschle	Moseley-Braun		
Coverdell	McCain			Dodd	Moynihan		
Craig	McConnell			Dorgan	Murray		
D'Amato	Murkowski			Exon	Nunn		
DeWine	Nickles			Feingold	Pell		
Dole	Pressler			Ford	Pryor		
Domenici	Roth			Glenn	Reid		
Faircloth	Santorum			Graham	Robb		
Frist	Shelby			Harkin	Rockefeller		
Gorton	Simpson			Heflin	Sarbanes		
Gramm	Smith			Hollings	Simon		
Grams	Stevens			Inouye	Wellstone		
Grassley	Thomas						
Gregg	Thompson						
Hatch	Thurmond						
	Warner						

#### EXPLANATION OF ABSENCE:

1—Official Business  
2—Necessarily Absent  
3—Illness  
4—Other

#### SYMBOLS:

AY—Announced Yea  
AN—Announced Nay  
PY—Paired Yea  
PN—Paired Nay

decimated by inflation, and the marriage tax penalty has discouraged responsible family life. With this reconciliation bill, we are serving notice on our Democratic colleagues that their war on middle-class working Americans is over.

We also tell them that this \$245 billion is not the end of our rollback of the Federal monolith. We remember the Kemp-Roth tax cuts of the 1980s and how they brought a roaring age of prosperity to America. Those tax cuts brought enormous job and income growth, which actually increased the amount collected in taxes. The one, enormous problem is that Congress then spent even more money than was collected extra in taxes. First President Reagan and then President Bush could not stop Congress' appetite for spending money. President Clinton came to town convinced that the problem was not that the Federal Government spent too much, but that the American people were taxed too little. He and his fellow Democrats then squeezed through the largest tax hike in history, which they claimed only taxed the rich, but was full of such nasty little details as a new tax on low-income Social Security recipients and a gasoline tax. They promised a few spending cuts in the hazy future, but their tax increases slammed Americans right away. The result of their effort was a budget plan to lead America into bankruptcy. Our Democratic colleagues came up with a plan to run \$200 billion deficits for a few years and then to have those deficits begin to grow exponentially.

This bill before us will stop America from going bankrupt by cutting spending. It does not duck the tough issues like Medicare and Medicaid, which need to be reformed for their own sakes or they will go broke. No amount of demagoguery by Democrats who would cowardly let Medicare fail, who would cowardly bankrupt America, and who would no doubt point dirty fingers after destroying this great country, will stop us from doing what is right. This bill is tough, and its bitter medicine will often be difficult to take, but it must be taken. The Congressional Budget Office, which President Clinton has said should be used to make all official evaluations of budget proposals, has said that this bill will result in a budget surplus in 7 years. Additionally, it will result in a fiscal dividend in the intervening years due to lower interest rates. We see nothing wrong with giving that dividend back in the first place. In the first place, this course is exactly what we said we would follow. If we were to come up with a balanced budget plan that worked, and we did, and if it were then possible to give tax relief to average Americans without disrupting that plan, and it is, then we should of course give that relief.

Our Democratic colleagues know that the fiscal dividend that has been projected will materialize. They have proposed eliminating tax relief, but they have not mentioned the inevitable fate of that dividend if it is not given back to the taxpayers. Congress will spend it. That fact is proven by the literally dozens of proposals we have heard from Democrats on how to spend this dividend which they have had no hand in creating. The \$245 billion in tax relief in this bill is the gross. Of this amount, \$223 billion will be for family tax relief. Of this amount, \$141 billion will be for the child tax credit for families with incomes under \$110,000. The remainder of the tax relief will be to strengthen businesses and increase employment opportunity. Also, the bill will close certain corporate tax loopholes, saving over \$21 billion.

This reconciliation bill will result in a balanced budget by cutting spending. At the same time it will provide true middle-class tax relief. We think Americans deserve to have that tax relief, so, as much as we know our colleagues would rather spend the money, we must urge the defeat of the Bumpers motion.

**Those opposing the motion to table contended:**

The Bumpers motion should be supported by all Members on a purely intellectual basis, without regard to partisanship. The motion would simply bar tax cuts until the budget is in balance. Any family on a budget would do the same. When a family is in financial trouble, and agrees to a plan to bring itself out of debt to avoid bankruptcy, it then does not celebrate the fact that it has decided to live within its means by cutting back on its income. For the Federal Government to do so would be equally foolish. Just a few months ago there was a great deal of bipartisan agreement that taking this course would be foolish. For instance, Senator Domenici, the Chairman of the Budget Committee, said that he was convinced that "most people share our view that we must balance the budget first before we cut taxes."

That bipartisanship has vanished as our Republican Senate colleagues have decided to jump on the House Republican "Contract With America" bandwagon by passing tax cuts for their rich friends. This plan will impose huge new burdens on old and poor people, and will hand out \$245 billion in goodies such as capital gains tax cuts to millionaires. The priorities that are in this plan are the most obscene imaginable, but, more than that, they are foolhardy because they will stop us from reaching a balanced budget. It is bad enough that our Republican colleagues want to cut spending on the weakest and most helpless citizens to balance the budget, but we object even more if they insist on balancing the budget and then throwing away that balance as soon as they achieve it by giving away \$245 billion. We will happily talk about tax cuts once the budget is balanced, but for now, we urge the support of the Bumpers motion.